



# Good Neighbor Environmental Board

May 5, 2022

Salvador Lopez  
Chief Environmental Officer



# About NADBank

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## Established in 1994

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### Mandate

Develop and finance environmental infrastructure along the U.S.-Mexico border to improve well-being of the population:

- Projects located within 100 km north and 300 km south of the border
  - Provide loans and grants for their implementation
  - Offer technical assistance for project development
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### Structure

Owned and governed equally by the Governments of the United States and Mexico

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### Offices

San Antonio, TX and Ciudad Juarez, CHIH

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### Ratings

Aa1 - Moody's; AA – Fitch

# Governance

## Board of Directors

- ◆ NADBank has a ten-member, binational Board of Directors, with an equal number of representatives from each country.

### U.S. Members

### Mexico Members

*Secretary of the Treasury*

*Secretary of Finance and Public Credit (SHCP)*

*Secretary of State*

*Secretary of Foreign Affairs (SRE)*

*Administrator of the Environmental Protection Agency*

*Secretary of the Environment and Natural Resources (SEMARNAT)*

*U.S. Border State Representative*

*Mexican Border State Representative*

*U.S. Border Public Representative*

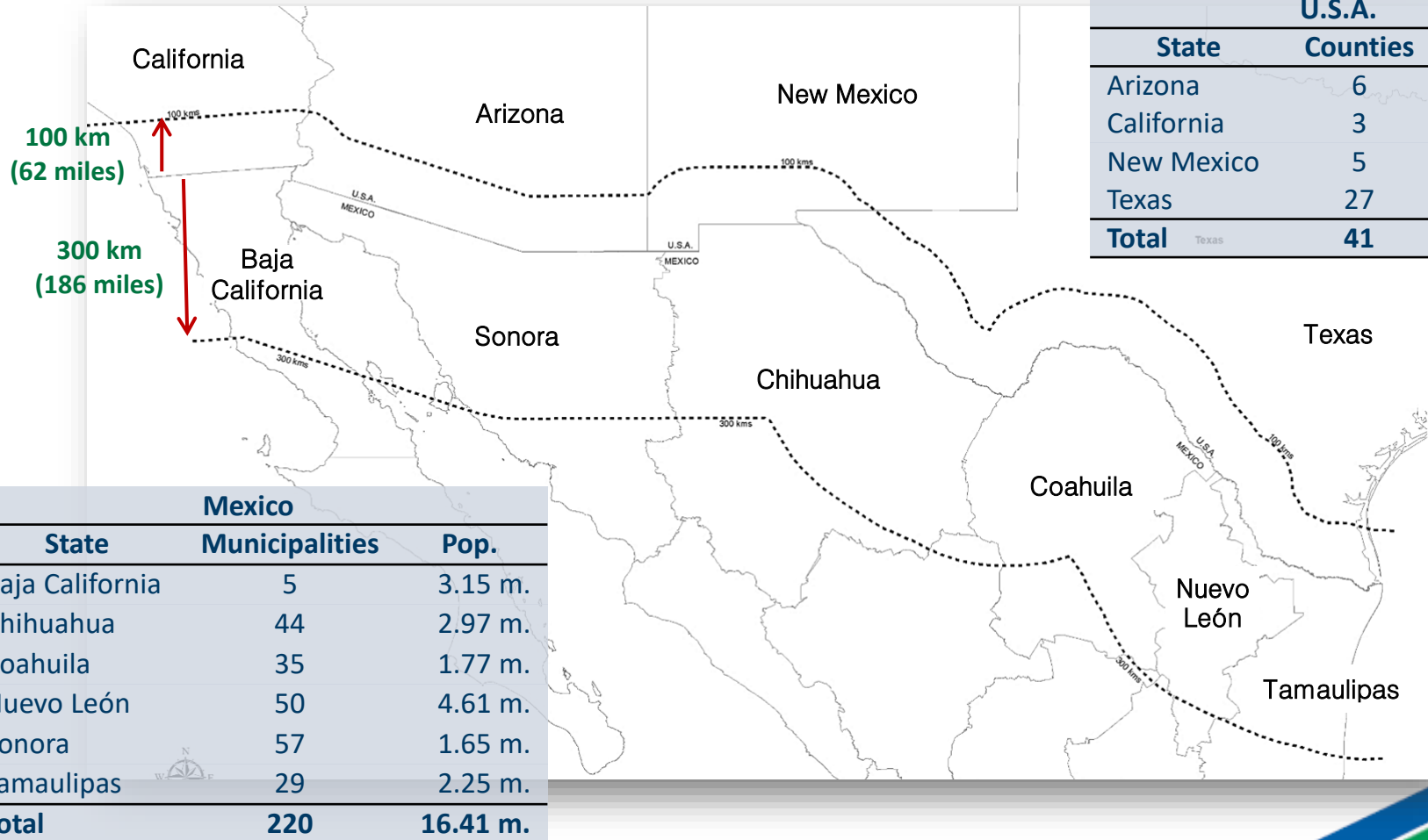
*Mexican Border Public Representative*



# Jurisdiction

## U.S.- Mexico Border Region

- ◆ Eligible projects must be located within **100 km (62 miles) north** and **300 km (186 miles) south** of the U.S.-Mexico border



# Eligible project types



## WATER

- » Water
- » Wastewater
- » Conservation
- » Stormwater



## SOLID WASTE

- » Municipal
- » Industrial
- » Recycling



## AIR QUALITY

- » Mobility
- » Paving
- » Border crossings
- » Industrial emissions



## SUSTAINABLE ENERGY

- » Generation
- » Storage
- » Efficient use



## SUSTAINABLE CITIES

- » Urban development
- » Sustainable Buildings
- » Industrial parks



## SUSTAINABLE PRODUCTION

- » Green manufacturing and green products
- » Food value chains



## CLIMATE CHANGE

- » Mitigation
- » Adaptation

# NADBank programs

## Loans

- ◆ Competitive, fixed or floating rates
- ◆ Terms of up to 30 years
- ◆ Technical support and project structuring services

## Grants

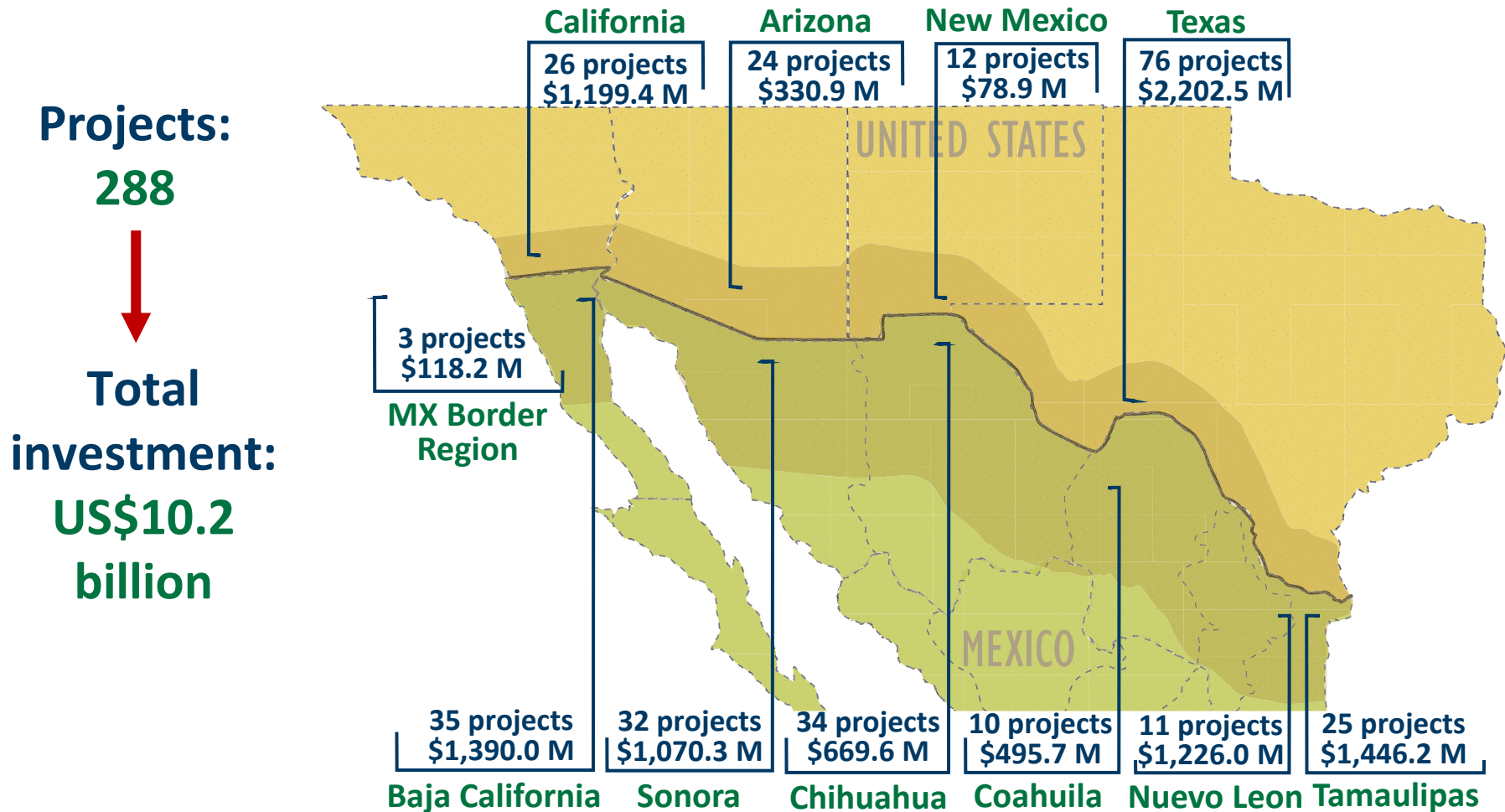
- ◆ EPA-funded Border Environment Infrastructure Fund (BEIF)
- ◆ NADBank-funded Community Assistance Program
- ◆ Border 2025 Program administration

## Technical Assistance

- ◆ Project development
- ◆ Capacity-building
- ◆ Utility Management Institute

# Financed Projects

December 31, 2021



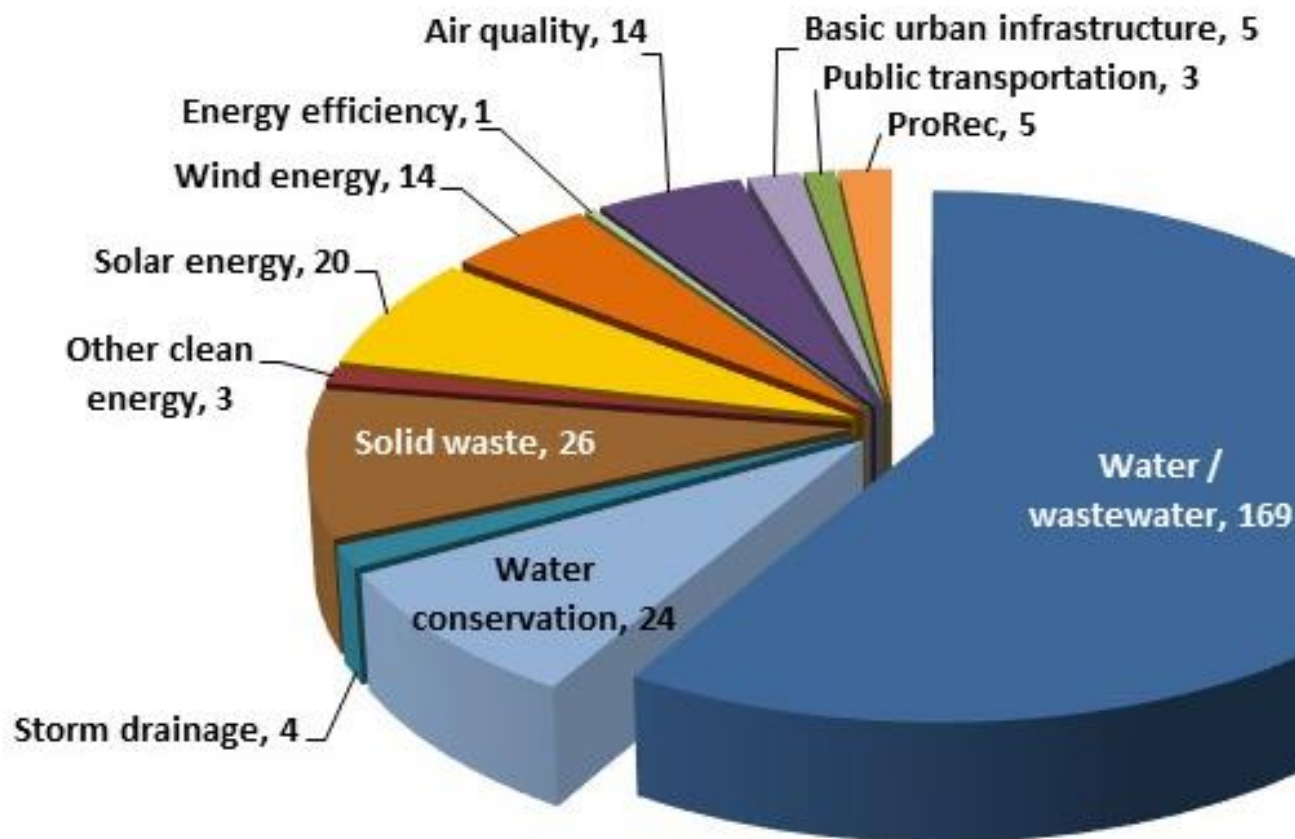
# Projects Funded by Sector

December 31, 2021

**288**  
Projects



**US\$10.2 billion**  
Total investment





# NADBank-supported water projects in Mexico



## DRINKING WATER

8	Water treatment plants with a combined capacity of 52.9 mgd and 11 storage tanks	→	500,000	people benefited
9	Projects included 120.5 miles of new waterlines	→	6,568	residential users saw improved drinking water service
8	Projects included 5,639 new connections to water systems			

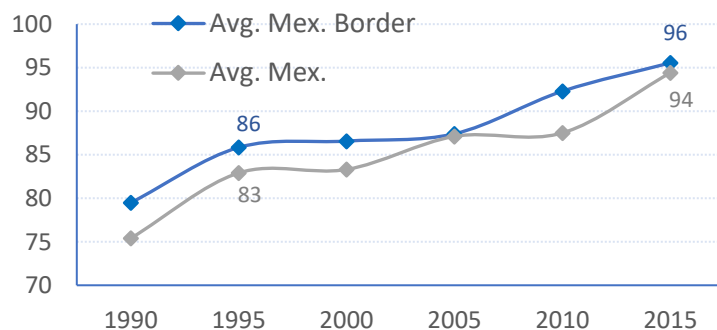
## WASTEWATER

41	Wastewater treatment systems with a combined capacity of 420 mgd and 32 lift stations	→	7,5 million	people benefited
53	Projects included 1,042 miles of new wastewater lines	→	440,953	residential users saw improved wastewater collections services
40	Projects included 378,977 new connections to sewer systems			

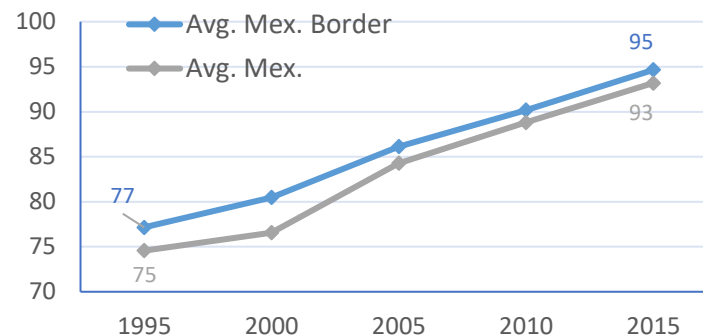


# Significant progress made in Mexican Border states for key indicators in recent decades...

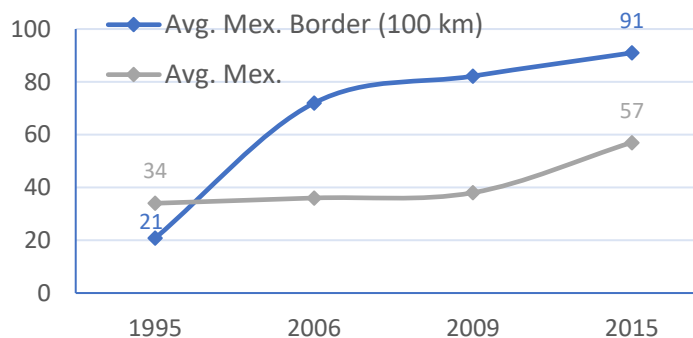
Water distribution service coverage (% of population)



Wastewater collection service coverage (% of population)



Wastewater treatment coverage



## ...but significant challenges remain

### Water resources management

- Population/economic growth
- Over-reliance in few source
- Vulnerability to drought and other climate change impacts

### Drinking water distribution

- Providing service to “The last 5%”
- Aging infrastructure
- Lack of trust in the quality of the water

### Sanitation

- Providing universal service
- Providing reliable & adequate treatment
  - Ensuring continuous O&M
- Aging infrastructure
- Reuse, biosolids management

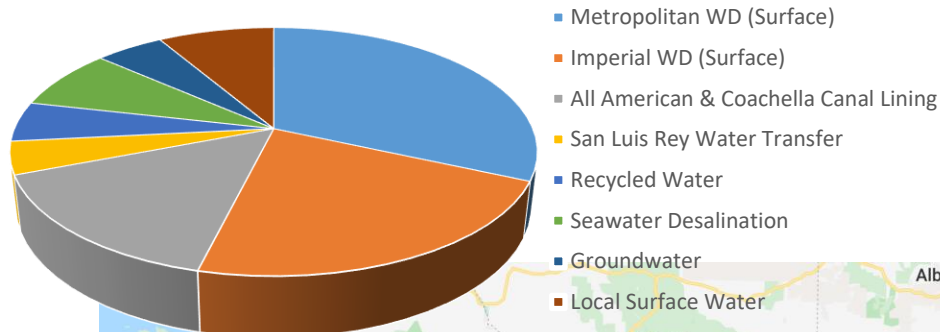
### Stormwater

- Cross-connections to the sanitary sewer
- Unclear responsibilities between water utility and municipality
- No rate support for new infrastructure

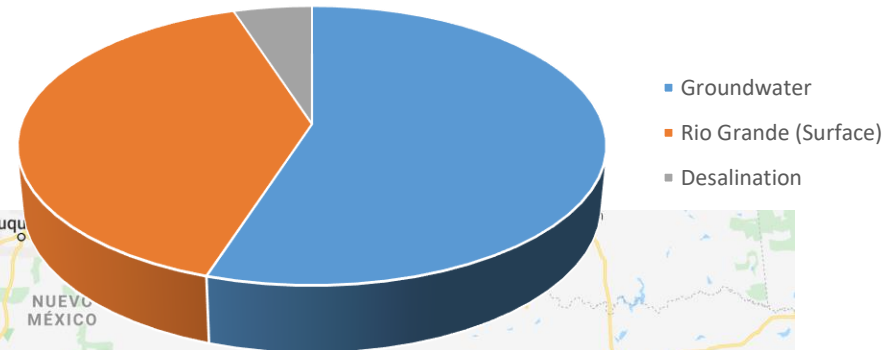
- Low physical and commercial efficiency
- Reduced revenues
- Increased operational expenses
- Inefficient use of scarce water resources
- Lack of funding for infrastructure expansion and maintenance programs

# Water Supply in Sister Cities

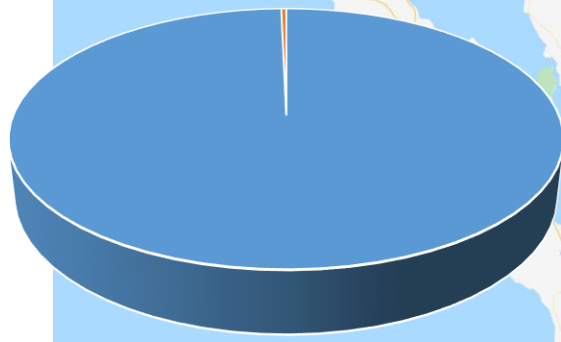
## San Diego Water Supply



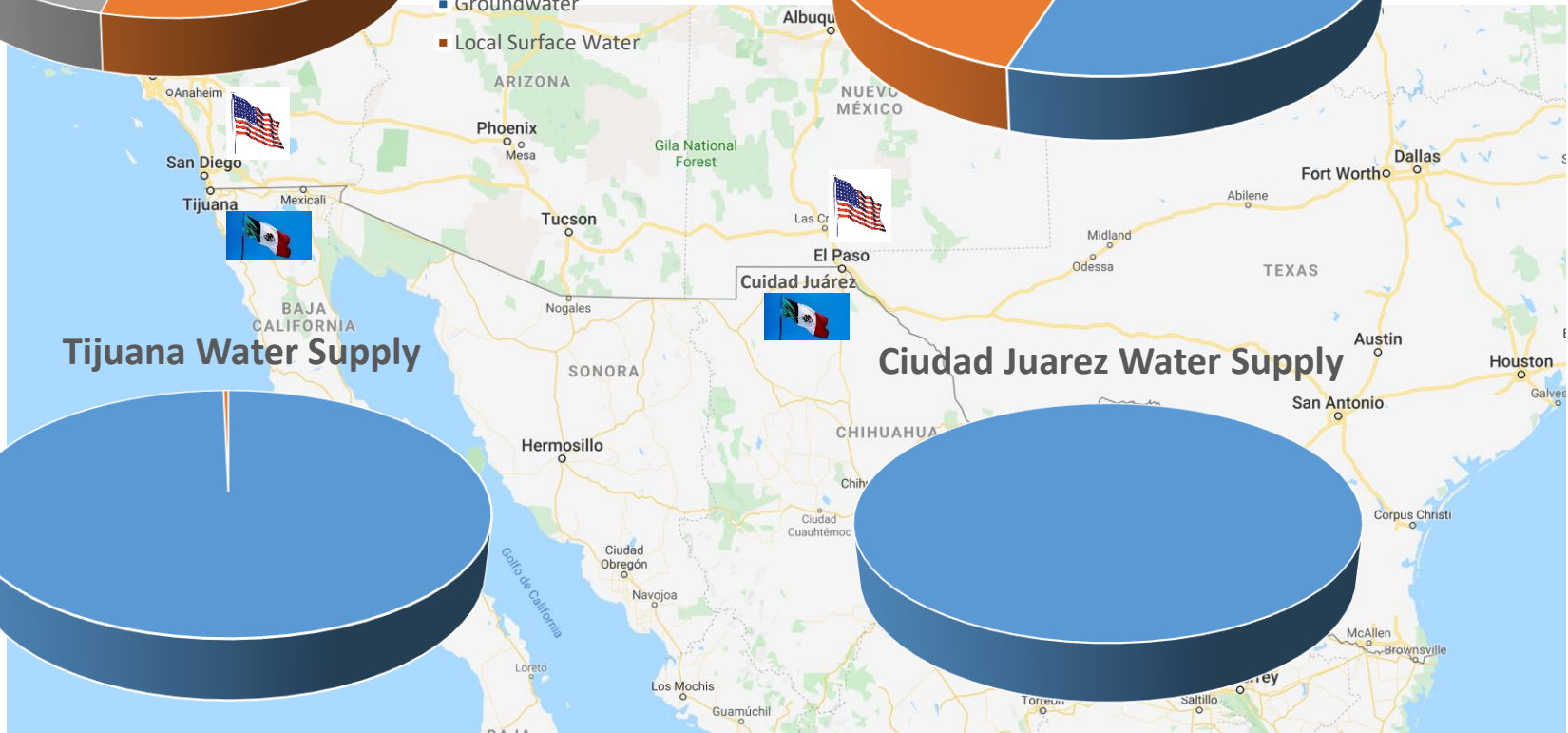
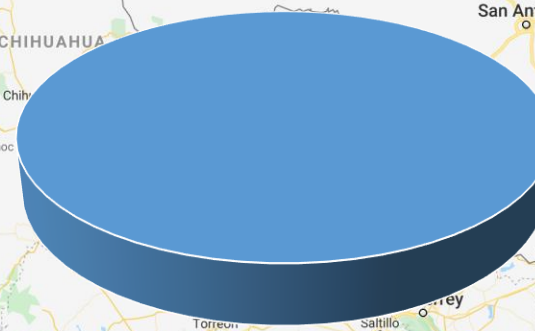
## El Paso Water Supply



## Tijuana Water Supply



## Ciudad Juárez Water Supply





# NADBank-supported water projects in the U.S.



## DRINKING WATER

18	Water treatment plants with a combined capacity of 109 mgd and 9 storage tanks	→	700,000	people benefited
20	Projects included 187 miles of new waterlines	→	17,073	residential users saw improved drinking water service
9	Projects included 8,516 new connections to water systems			

## WASTEWATER

26	Wastewater treatment systems with a combined capacity of 48 mgd and 89 lift stations	→	250,000	people benefited
29	Projects included 527.5 miles of new wastewater lines	→	24,644	residential users saw improved wastewater collections services
24	Projects included 23,932 new connections to sewer systems			




# Key challenges in US border communities

## Water resources availability and resiliency

- Population & economic growth
- Over-reliance in few source
- Vulnerability to drought and other climate change impacts
- Water delivery constraints

## Basic infrastructure

- Aging infrastructure
- Substandard service in *colonias*



Available funding  
Affordability

# In summary...

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- ◆ Significant progress has been made in basic infrastructure, but gaps remain
- ◆ Growth and climate change create additional challenges that are expected to exacerbate in the future, requiring new policies, technologies and funding mechanisms, as well as individual behaviors
- ◆ NADBank has been an important player in addressing water management and other environmental issues in the border region
  - Binational cooperation
  - Planning and project development
  - Institutional capacity building
  - Leverage own capital to mobilize other resources
  - Effectively funnel U.S. funding to projects in Mexico with strong binational benefits
- ◆ EPA-funded grants have contributed to close the gap in basic infrastructure in Mexican communities and *colonias* and other underserved communities in the U.S.

# Thank you!

